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OFFICE OF PETITIONS

In re Application of
Howard Sachs
Application No. 09/840,747
Filed: April 23, 2001
Attorney Docket No.: 02111100010
Title: CIRCUIT GROUP DESIGN
METHODOLOGIES

DECISION ON PETITION

This is a decision on the petition filed on November 24, 2003, pursuant to 37 C.F.R. §1.137(a)¹, to revive the above-identified application.

The above-identified application became abandoned for failure to reply within the meaning of 37 CFR §1.113 in a timely manner to the final Office action mailed March 28, 2003, which set a shortened statutory period for reply of three (3) months. On October 14, 2003, the Examiner telephoned counsel to inquire as to whether a response had been filed, as none had been received². Counsel advised the Examiner of the after-final amendment, and submitted a duplicate copy via facsimile transmission. The amendment was considered, and it was not determined the place the application in condition for allowance. As such, both an advisory action and a Notice of Abandonment were mailed to counsel on October 23, 2003.

On November 24, petitioner filed the instant petition. Petitioner has included the petition

¹ A grantable petition pursuant to 37 CFR §1.137(a) must be accompanied by:

- (1) the required reply (in a nonprovisional application abandoned for failure to prosecute, the required reply may be met by the filing of a continuing application; in an application or patent, abandoned or lapsed for failure to pay the issue fee or any portion thereof, the required reply must be the payment of the issue fee or any outstanding balance thereof);
- (2) the petition fee;
- (3) a showing to the satisfaction of the Commissioner that the entire delay in filing the required reply from the due date for the reply until the filing of a grantable petition pursuant to this paragraph was unavoidable, and;
- (4) a terminal disclaimer (and fee as set forth in §1.20(d)) required pursuant to paragraph (d) of this section.

² With the instant petition, petitioner has included a copy of the PTO generated "Auto-Reply Facsimile Transmission (Auto-Reply)," which shows that an after-final amendment was transmitted via facsimile transmission on August 20, 2003, coupled with a two-month extension to make timely this response.

fee, a Request for Continued Examination (RCE) along with the associated fee, a copy of the auto-reply, a copy of the after-final amendment, and what appears to be a print-out of a webpage.

The instant petition lacks item (3) above.

As to item (3), the showing of record is not sufficient to establish to the satisfaction of the Commissioner that the delay was unavoidable within the meaning of 37 CFR 1.137(a).

The Commissioner is responsible for determining the standard for unavoidable delay and for applying that standard.

“In the specialized field of patent law, . . . the Commissioner of Patent and Trademarks is primarily responsible for the application and enforcement of the various narrow and technical statutory and regulatory provisions. The Commissioner’s interpretation of those provisions is entitled to considerable deference.”³

“[T]he Commissioner’s discretion cannot remain wholly uncontrolled, if the facts **clearly** demonstrate that the applicant’s delay in prosecuting the application was unavoidable, and that the Commissioner’s adverse determination lacked **any** basis in reason or common sense.”⁴

“The court’s review of a Commissioner’s decision is ‘limited, however, to a determination of whether the agency finding was arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with the law.’”⁵

“The scope of review under the arbitrary and capricious standard is narrow and a court is not to substitute its judgment for that of the agency.”⁶

The standard

“[T]he question of whether an applicant’s delay in prosecuting an application was unavoidable must be decided on a case-by-case basis, taking all of the facts and circumstances into account.”⁷

3 Rydeen v. Quigg, 748 F.Supp. 900, 904, 16 U.S.P.Q.2d (BNA) 1876 (D.D.C. 1990), aff’d without opinion (Rule 36), 937 F.2d 623 (Fed. Cir.1991) (citing Morganroth v. Quigg, 885 F.2d 843, 848, 12 U.S.P.Q.2d (BNA) 1125 (Fed. Cir. 1989); Ethicon, Inc. v. Quigg 849 F.2d 1422, 7 U.S.P.Q.2d (BNA) 1152 (Fed. Cir. 1988) (“an agency’s interpretation of a statute it administers is entitled to deference”); see also Chevron U.S.A. Inc. v. Natural Resources Defence Council, Inc., 467 U.S. 837, 844, 81 L. Ed. 694, 104 S. Ct. 2778 (1984) (“if the statute is silent or ambiguous with respect to the specific issue, the question for the court is whether the agency’s answer is based on a permissible construction of the statute.”)

4 Commissariat A L’Energie Atomique et al. v. Watson, 274 F.2d 594, 597, 124 U.S.P.Q. (BNA) 126 (D.C. Cir. 1960) (emphasis added).

5 Haines v. Quigg, 673 F. Supp. 314, 316, 5 U.S.P.Q.2d (BNA) 1130 (N.D. Ind. 1987) (citing Camp v. Pitts, 411 U.S. 138, 93 S. Ct.1241, 1244 (1973) (citing 5 U.S.C. 706 (2)(A)); Beerly v. Dept. of Treasury, 768 F.2d 942, 945 (7th Cir. 1985); Smith v. Mossinghoff, 217 U.S. App. D.C. 27, 671 F.2d 533, 538 (D.C. Cir.1982)).

6 Ray v. Lehman, 55 F.3d 606, 608, 34 U.S.P.Q.2d (BNA) 1786 (Fed. Cir. 1995) (citing Motor Vehicles Mfrs. Ass’n v. State Farm Mut. Auto. Ins. Co., 463 U.S. 29, 43, 77 L.Ed.2d 443, 103 S. Ct. 2856 (1983)).

7 Id.

The general question asked by the Office is: "Did petitioner act as a reasonable and prudent person in relation to his most important business?"⁸

Nonawareness of a PTO rule will not constitute unavoidable delay⁹

The burden of showing the cause of the delay is on the person seeking to revive the application¹⁰.

A delay caused by an applicant's lack of knowledge or improper application of the patent statute, rules of practice, or the MPEP is not rendered "unavoidable" due to either the applicant's reliance upon oral advice from USPTO employees or the USPTO's failure to advise the applicant to take corrective action¹¹.

Decisions on reviving abandoned applications on the basis of "unavoidable" delay have adopted the reasonably prudent person standard in determining if the delay was unavoidable:

The word 'unavoidable' . . . is applicable to ordinary human affairs, and requires no more or greater care or diligence than is generally used and observed by prudent and careful men in relation to their most important business. It permits them in the exercise of this care to rely upon the ordinary and trustworthy agencies of mail and telegraph, worthy and reliable employees, and such other means and instrumentalities as are usually employed in such important business. If unexpectedly, or through the unforeseen fault or imperfection of these agencies and instrumentalities, there occurs a failure, it may properly be said to be unavoidable, all other conditions of promptness in its rectification being present¹².

In addition, decisions on revival are made on a "case-by-case basis, taking all the facts and circumstances into account¹³."

A petition cannot be granted where a petitioner has failed to meet his or her burden of establishing that the delay was "unavoidable¹⁴."

⁸ See In re Mattulah, 38 App. D.C. 497 (D.C. Cir. 1912).

⁹ See Smith v. Mossinghoff, 671 F.2d 533, 538, 213 U.S.P.Q. (BNA) 977 (Fed. Cir. 1982) (citing Potter v. Dann, 201 U.S.P.Q. (BNA) 574 (D.D.C. 1978) for the proposition that counsel's nonawareness of PTO rules does not constitute "unavoidable" delay)). Although court decisions have only addressed the issue of lack of knowledge of an attorney, there is no reason to expect a different result due to lack of knowledge on the part of a pro se (one who prosecutes on his own) applicant. It would be inequitable for a court to determine that a client who spends his hard earned money on an attorney who happens not to know a specific rule should be held to a higher standard than a pro se applicant who makes (or is forced to make) the decision to file the application without the assistance of counsel.

¹⁰ Id.

¹¹ See In re Sivertz, 227 USPQ 255, 256 (Comm'r Pat. 1985).

¹² In re Mattullah, 38 App. D.C. at (1912)(quoting Ex parte Pratt, 1887 Dec. Comm'r Pat. 31, 32-33 (1887)); see also Winkler v. Ladd, 221 F. Supp. 550, 552, 138 USPQ 666, 167-68 (D.D.C. 1963). aff'd, 143 USPQ 172 (D.C. Cir. 1963); Ex parte Henrich, 1913 Dec. Comm'r Pat. 139, 141 (1913).

¹³ Smith v. Mossinghoff, 671 F.2d at 538; 213 USPQ at 982.

¹⁴ Haines, 673 F. Supp. at 314, 316-17; 5 USPQ2d at 1131-32.

The rule and portion of the MPEP relevant to the abandonment of this application

§ 1.116 Amendments after final action or appeal.

- (a) An amendment after final action or appeal must comply with § 1.114 or this section.
- (b) After a final rejection or other final action (§ 1.113) in an application or in an ex parte reexamination filed under § 1.510, or an action closing prosecution (§1.949) in an inter partes reexamination filed under § 1.913, amendments may be made canceling claims or complying with any requirement of form expressly set forth in a previous Office action. Amendments presenting rejected claims in better form for consideration on appeal may be admitted. The admission of, or refusal to admit, any amendment after a final rejection, a final action, an action closing prosecution, or any related proceedings will not operate to relieve the application or patent under reexamination from its condition as subject to appeal or to save the application from abandonment under § 1.135, or the reexamination from termination. No amendment can be made in an inter partes reexamination proceeding after the right of appeal notice under § 1.953 except as provided for in paragraph (d) of this section.
- (c) If amendments touching the merits of the application or patent under reexamination are presented after final rejection, or after appeal has been taken, or when such amendment might not otherwise be proper, they may be admitted upon a showing of good and sufficient reasons why they are necessary and were not earlier presented.

[24 FR 10332, Dec. 22, 1959; 46 FR 29183, May 29, 1981; para. (a) revised, 62 FR 53131, Oct. 10, 1997, effective Dec. 1, 1997; revised, 65 FR 14865, Mar. 20, 2000, effective May 29, 2000 (adopted as final, 65 FR 50092, Aug. 16, 2000); paras. (b) and (d) revised, 65 FR 76756, Dec. 7, 2000, effective Feb. 5, 2001]

Application of the standard to the current facts and circumstances

In the instant petition, petitioner maintains that the circumstances that led to the abandonment of the application meet the aforementioned unavoidable standard and, therefore; petitioner qualifies for relief under 37 CFR 1.137(a). In support thereof, petitioner contends that the facsimile transmission was received in the Office, and misplaced before the Examiner had an opportunity to review it.

However, the after-final amendment was later considered by the Examiner, and was not deemed to place the application in condition for allowance.

It is clear from rule 37 C.F.R. §1.116 that abandonment of an application is risked when the applicant proffers an amendment after the mailing of a final Office action. The rule clearly indicates that the mere filing of an amendment does not relieve applicant of the duty to take appropriate action to save the application from abandonment.

If steps are not taken after final to maintain pendency prior to the expiration of the maximum extendable period for reply, the application will go abandoned. Put another way, the submission of an after final amendment which fails to place the application in condition for allowance will result in the abandonment of the application, unless one of the following four items is filed prior to the maximum extendable period for reply:

- a subsequent amendment which places the application in condition for allowance;
- a Notice of Appeal;
- a Request for a Continuation Application pursuant to 37 C.F.R. § 1.53(b), if applicable;
- a Request for Continued Examination pursuant to 37 C.F.R. §1.114, and;
- a Terminal Disclaimer, if applicable.

By filing the after-final amendment, Petitioner clearly risked the abandonment of this application. The amendment was considered by the Examiner prior to the mailing of the Notice of Abandonment, and as such, the abandonment cannot be characterized as "unavoidable."

Consequently, the petition is **DISMISSED**.

The reply to this letter may be submitted by mail¹⁵, hand-delivery¹⁶, or facsimile¹⁷.

Alternate venue

Petitioner may also wish to consider filing a petition under the unintentional standard, 37 CFR §1.137(b)¹⁸. Petitioner should be made aware that although the surcharge is significantly higher, the standard associated with a petition filed under this section is far less stringent than the standard associated with a delay asserted to be "unavoidable". A form for this petition may be located at <http://www.uspto.gov/web/forms/sb0064.pdf>.

The application file will be retained in the Office of Petitions for two (2) months.

Telephone inquiries regarding *this decision* should be directed to the undersigned at (703) 305-0011.



Paul Shanoski
Attorney
Office of Petitions
United States Patent and Trademark Office

¹⁵ Mail Stop Petition, Commissioner for Patents, United States Patent and Trademark Office, P.O. Box 1450, Alexandria, VA, 22313-1450.

¹⁶ Customer Window, Mail Stop Petition, Crystal Plaza Two, Lobby, Room 1B03, Arlington, Virginia 22202.

¹⁷ (703) 872-9306, attention Office of Petitions, Attorney Paul Shanoski.

¹⁸ A grantable petition pursuant to 37 CFR 1.137(b) must be accompanied by:

- (1) The reply required to the outstanding Office action or notice, unless previously filed;
- (2) The petition fee as set forth in § 1.17(m);
- (3) A statement that the entire delay in filing the required reply from the due date for the reply until the filing of a grantable petition pursuant to this paragraph was unintentional. The Commissioner may require additional information where there is a question whether the delay was unintentional, and;
- (4) Any terminal disclaimer (and fee as set forth in § 1.20(d)) required pursuant to paragraph (d) of this section.